

**STATE OF CALIFORNIA**  
**CALIFORNIA ENERGY COMMISSION**

**Business Meeting Minutes**

**of**

**August 28, 2002**

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The meeting was called to order by Chairman William J. Keese at 10:05 a.m.

The Pledge of Allegiance was given by Commissioner Boyd.

William J. Keese	Present
Robert Pernell	Present
Arthur Rosenfeld	Present
James D. Boyd	Present
John L. Geesman	Present
Margaret Kim, Ex-Officio	Present

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda)
  - a. ENERGY CENTER OF WISCONSIN. Possible approval of Contract 500-02-100 for some staff time, to provide a framework and set forth principles of cooperation for the coordination of efforts by two organizations to promote successful implementation and completion of a multi-state joint project managed by a Steering Committee of the Association of State Energy Research and Technology Transfer Institution (ASERTTI) and jointly funded by the Department of Energy and some ASERTTI members. (PIER funded)
  - b. NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS (NASEO). Possible approval of Contract 400-00-040 Amendment 1, for a no-cost time extension to October 1, 2003 for the high performance schools. This extension has been requested by NASEO to match the extension with the Department of Energy.
  - c. NAVIGANT CONSULTING, INC. Possible approval to novate A.D. Little Inc., for Contract 500-01-008 Amendment 1. A. D. Little filed for Chapter 11 bankruptcy protection and Navigant Consulting, Inc bought the portion of A.D. Little that was serving the Prime Contractor.
  - d. NAVIGANT CONSULTING, INC. Possible approval to novate A.D. Little Inc., for Contract 500-98-013 Amendment 2. A. D. Little filed for Chapter 11 bankruptcy protection and Navigant Consulting Inc., bought the portion that was serving as the Prime Contractor. The novation is necessary to complete the contract and process the final billing and release of retention to eligible work authorizations.

*Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of the Consent Calendar. The vote was unanimous. (5-0)*

2. SALTON SEA UNIT #6 GEOTHERMAL POWER PROJECT (02-AFC-02).  
Commissioner consideration of the Executive Director's Data Adequacy Recommendation for the Salton Sea Project. CE Obsidian Energy, LLC proposes to build and operate a 185-megawatt geothermal power plant and associated facilities to be located approximately six miles northwest of Calipatria in Imperial County. Designated as Salton Sea Unit Six (SSU6), the proposed plant site is 1,000 feet southeast of the Salton Sea. This proposed renewable energy project will extract steam from the Salton Sea Known Geothermal Resource Area to power associated generation equipment. Ten production and injection wells will be drilled for the project. Produced power will be through lines owned by the Imperial Irrigation District (IID) with 31 miles of new transmission lines construction for the interconnection. Cooling water use is projected at 293-acre feet per year and is available from the IID.

*Commissioner Pernell moved and Commissioner Boyd seconded the recommendation of the Executive Director that the Salton Sea Application for Certification be found not to have adequate data . The vote was unanimous. (5-0)*

3. SALTON SEA UNIT #6 GEOTHERMAL POWER PROJECT (02-AFC-02). Possible approval of a Committee for the Salton Sea Unit #6 Geothermal Power Project Application for Certification (Docket No. 02-AFC-02).

*This item was held over until the Salton Sea Unit #6 Geothermal Power Project become Data Adequate.*

4. METCALF ENERGY CENTER. Presentations by public representatives regarding a Notice of Insignificant Project Change dated June 25, 2002, for the Metcalf Energy Center (MEC) Project. The presentations concern objections to an MEC proposal to replace a 10-mile recycled water pipeline with a 1,000-foot pipeline.

*Commissioner Geesman moved and Commissioner Pernell seconded approval of the project change for the Metcalf Energy Center Project. The vote was unanimous. (5-0)*

5. ENERGY INNOVATIONS SMALL GRANT PROGRAM. Consideration and possible approval of eight grant projects totaling \$593,396 under the Public Interest Energy Research (PIER) program funding. These projects target groups within the RD&D community that are impacted by the relatively high transaction costs and is open to individuals, non-profit entities, small businesses and academics.

*Commissioner Rosenfeld moved and Commissioner Pernell seconded approval of eight grant projects totaling \$593,396 from the Public Interest Energy Research Program. The vote was unanimous. (5-0)*

6. RENEWABLE ENERGY CONSUMER EDUCATION PROGRAM. Possible approval of eight grants totaling \$492,818 from the Renewable Resource Trust Fund. These projects provide consumer education and information on renewable energy, including emerging renewable technologies.

*Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of eight grants totaling \$492,818 from the Renewable Resource Trust Fund. The vote was unanimous. (5-0)*

7. ENERGY NEXUS GROUP, INC. Possible approval of a grant for \$150,044 for Advanced Combined Heat and Power Technologies for Federal Facilities Project using funds provided by the United States Department of Energy under the 2002 State Energy Program Special Project - Federal Energy Management Program (FEMP).

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of a grant to the Energy Nexus Group, Inc. for \$150,044. The vote was unanimous. (5-0)*

8. ENERGY CONSERVATION ASSISTANCE ACT ACCOUNT. Possible approval of a loan to Loyola Marymount University for \$817,000 for the installation of a 700 kilowatt roof top Photovoltaic system at their Los Angeles campus. Annual electricity savings are estimated to be 974,358 kilowatt hours.

*Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of a loan for \$817,000 to Loyola Marymount University. The vote was unanimous. (5-0)*

9. LOCAL JURISDICTION ENERGY ASSISTANCE LOAN ACCOUNT. Possible approval of a loan to Sanger Unified School District for \$232,400 to install two 60-kilowatt natural-gas fired co-generation systems.

*Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of a loan for \$232,400 to Sanger Unified School District. The vote was unanimous. (5-0)*

10. TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY (CSU). Possible approval of Contract 500-98-014 Amendment 2 for \$6,000,000 to continue the Energy Innovations Small Grant Program. In 1998, a grant program was established under PIER that would fund early research into concept feasibility on any of the six PIER subject areas to support the growth and development of new energy technology concepts in California. (PIER/EPAG funded)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Contract 500-98-014 Amendment 2. The vote was unanimous. (5-0)*

11. CALIFORNIA CONSUMER POWER AND CONSERVATION AUTHORITY. Possible approval of Contract 500-02-006 to accept up to \$25 million to provide additional rebates for public schools (K-12) who install solar electric (photovoltaic) systems. The funds would be used to supplement funds offered through the emerging Renewable Resources Buydown Program for schools who develop and implement a renewable energy education plan and have taken certain energy efficiency improvement measures.

*Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of Contract 500-02-006 to accept up to \$25 million from the California Consumer Power and Conservation Authority. The vote was unanimous. (5-0)*

12. Discussion and approval of Committee Structure.

*Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of Order Number 02-0828-12, which assigns Commissioners to the Commission's Standing Committees. In addition, Commissioner Pernell was designated to take over the seat vacated by former Commissioner Moore on the SAFE BIDCO Board, and Commissioner Boyd was designated to serve the Governor as the State liaison to the Nuclear Regulatory Commission.*

13. Minutes

*There were no minutes to approve.*

14. Commission Committee and Oversight

*Commissioner Pernell asked the Office of Governmental Affairs to provide an update on Legislation. Cecile Martin provided an overview on nine bills that the Energy Commission is currently tracking and where they are in the process.*

*Chairman Keese thanked Staff Attorney Elizabeth Flores for her review of all the contracts for every business meeting, regarding the legal requirements for sole source contracts.*

15. Chief Counsel's Report

*Chief Counsel Bill Chamberlain said he would pass the Chairman's thanks along to Ms. Flores. Mr. Chamberlain also stated that he has sent a copy of the Supreme Court filing on the Tracy case to the Commissioners and that the Energy Commission has five days to respond. The staff attorney who successfully had the Metcalf Supreme Court case dismissed at an early stage will be working on the Tracy case as well.*

16. Executive Director's Report

*Executive Director Steve Larson informed the Commissioners and audience that the meeting would adjourn and reconvene in the third floor conference room to discuss the 2003 projected budget numbers and reserves; however, no action would be taken.*

17. Public Adviser's Report

*Public Adviser Roberta Mendonca reminded employees that her office survey was in progress and over 100 responses had been returned. Ms. Mendonca stated if employees hadn't already done so, please fill them out and return them to her office.*

18. Public Comment

*No comments were received.*

The meeting was adjourned at 11 a.m. and immediately moved to the third floor conference room. The public was invited to attend.

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BETTY A. McCANN  
Secretary to the Commission